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SUBJECT: BRAZIL'S MST LANDLESS MOVEMENT: MARGINALIZED OR  
RADICALIZED POLITICAL FORCE?

REF: 08 Sao Paulo 248

SENSITIVE BUT UNCLASSIFIED - PLEASE PROTECT ACCORDINGLY

¶1. (SBU) Summary: The Landless People's Movement (MST) increased activity in recent months in the run up to "Red April," the traditional high season for MST land invasions. The main reason for the uptick in activity, according to observers, is the MST's weakness. Increasingly ignored by its former supporter, President Lula and his PT Worker's Party, and undercut by both economic growth and the positive effects of Lula's Bolsa Familia (BF) program, the MST finds itself on the defensive. It remains to be seen whether a weakened MST would lose influence in Brazil, however. The organization is responding to challenges by radicalizing its actions, distancing itself from the President, and broadening its message. In a period of global economic turbulence, a leaner MST could still present problems for the GOB. End Summary.

The MST

¶2. (U) The Landless People's Movement (MST) is a twenty-five year old social movement whose members take over privately held lands, alleging that the lands are either not legally titled and/or not being used productively, in accordance with the Brazilian constitution. MST supporters argue that the movement is an understandable activist response to Brazil's unequal land distribution. MST critics argue that the movement is a violent, illegal shake-down operation that uses land invasions to capture resources, disrupt agriculture, and promote violence. (For more background, see Reftel.)

More Active, More Visible

¶3. (SBU) There has been a predictable and noticeable uptick in the activities of the Landless People's Movement (MST) over the last three months as April approached. April is traditionally the most active MST month and coordinated land invasions take place to bring greater national exposure to the MST. (Note: According to the MST, the group focuses activity in April as a commemoration for the confrontation with military police at ElDorado de Carajas, Para State in 1996 in which 19 MST members were killed. End Note.) Among the recent actions are the following:

-On February 21, MST members reportedly shot four security guards who were working on a farm in San Joaquim dos Montes in Pernambuco State in northeast Brazil after MST members tried to invade and take over the property.

-On February 24, a faction of the MST invaded eleven farms in the

Pontal do Paranapanema in western Sao Paulo State. MST leaders dubbed this action "Red Carnival" because it took place at the same time as the popular Brazilian holiday. Sao Paulo State representatives broke off talks with the MST after the takeover and two days later, MST members abandoned the farm in what they described as a conciliatory gesture.

-On February 28, MST members invaded properties in Para State owned by Daniel Dantas, a Brazilian banker under investigation on charges of corruption. Three weeks later, the police officer who led the investigation against Dantas, Protogenes Queiroz, defended the MST's takeover of lands owned by "the bandit banker" at a pro-MST gathering in Sao Paulo. (Note and Comment: Queiroz was removed from the Dantas case for allegedly misusing wiretaps in his investigation. By targeting Dantas' lands, the MST guaranteed that it would get visibility. End Note and Comment.)

#### MST Critics Strike Back

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¶4. (U) The MST's critics have been active in questioning the organization's methods and subjecting its activities to more rigid scrutiny. Among the charges recently leveled against the MST:

-On March 29, Sao Paulo daily "Folha de Sao Paulo" ran a long story detailing how the GOB gave millions in grants to NGOs linked to the MST, in effect funding the movement's activities. Subsequent media reports indicate that this funding has decreased dramatically. (Note: According to the NGO Contas Abertas, direct federal transfers to NGOs linked to the MST reached a peak in 2004, when they received R\$ 12.56 million. During the first six years of President Lula's mandate, the MST received a total of R\$ 42.13

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million (approximately 18.72 million USD) in the first six years of Lula's mandate. However, the annual funding dropped to R\$ 1.47 million in 2008. End Note.)

-In February, Supreme Federal Tribunal (STF) President Gilmar Mendes urged governors in states where the MST is active to enforce the law against violations of property. Mendes also questioned the MST's financing, stating that the MST cannot receive public funds. President Lula later stated that Mendes spoke as a private citizen and not as STF President, a characterization that Mendes later denied.

-In its January 28 edition, news weekly "Veja" published a long article entitled "The Guerrilla Manual" that produced papers, seized from an MST encampment, detailing how MST members planned to break the law - including alleged plans to commit document fraud and other illegal activity.

#### Twenty-Five Years: But Not a Happy Birthday

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¶5. (SBU) Behind the increase in takeovers and the media discussion lies the fundamental reality of the MST's decreasing strength. This year was the 25th anniversary of the movement, and the MST still finds itself challenged by a number of factors, the most prominent of which is, ironically, its erstwhile ally, President Lula.

¶6. (SBU) The flagship of Lula's poverty reduction strategy is the Bolsa Familia (BF) program. BF recipients have to stay in one place and keep their children in school to receive benefits. This directly cuts into the pool of rootless poor that constitute the best targets for MST recruitment for land takeovers. Brazil's strong economy, particularly the stunning growth in agricultural exports, created new jobs in rural areas and closely tied agricultural interests to Lula's government. The GOB is understandably reluctant to upset the prosperous applecart of agriculture-driven exports by pushing for a massive agrarian reform of the type envisioned by the MST, which would promote small and medium-sized landholdings.

¶7. (U) The MST's frustration with President Lula explains the movement's decision not to invite the Brazilian President to an

"anti-imperialist" conclave its leaders organized at January's World Social Forum meeting in Belem. MST leaders met instead with the Presidents of Venezuela, Bolivia, Ecuador and Paraguay, the last of which used the occasion to criticize the treaty that governs the Itaipu Dam, jointly owned by Brazil and Paraguay. (Note: Paraguay's President has repeatedly criticized the Itaipu Treaty, which determines the price Brazil pays for electricity generated by the dam. End Note.)

18. (U) The MST's problems, however, are not just personal, but structural. Brazil's booming agricultural development and the Lula government's successes reduced the space for land invasions. University of Sao Paulo (USP) Geographer and MST analyst Professor Ariovaldo Umbelino de Oliveira cited statistics kept by the Pastoral Land Commission (CPT) to make this case. According to the CPT, the number of people living in MST encampments (land occupiers) plunged from almost 60,000 in 2003 to just over 6,000 today, a drop of almost 90 percent.

But Don't Count the MST Out  
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19. (U) Despite the movement's problems, observers maintain that the MST remains an important force and might even become more problematic as its traditional role, as an organizer of land-occupations, shrinks. Oliveira cautions that the MST retains a strong base of 80,000 supporters who received land thanks to its efforts. The movement also institutionalized itself, creating schools throughout the country and enjoying a permanent presence at scores of Brazilian universities, where its followers pursue agrarian studies. Finally, Brazil's land tenancy problem remains severe, according to Oliveira. Land ownership remains highly unequal and poorly documented. In a major agricultural state like Mato Grosso, for example, Oliveira said that between 30-40 percent of the large land owners do not possess clear legal title to their holdings.

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110. (SBU) The MST has also responded with some creativity to the challenges it faces. The movement amplified its message in recent years, going beyond advocacy for land reform and launching a fight against big agribusinesses, "transnationals," and genetically modified foods. The MST also supports Paraguay's cause in pushing for a re-negotiation of the Itaipu Treaty. For these reasons, political consultant Thiago de Aragao warns that a smaller MST could well become more radical and, perhaps, an even more difficult organization for the GOB.

Comment: More Red Aprils  
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111. (SBU) Several factors have contributed to marginalizing the MST as a political force: President Lula's election and seven years of rule, the recent success of the Brazilian economy, and Lula's Bolsa Familia program. That said, Brazil's land tenure system remains riddled with legal problems and the MST movement is adapting to the new Brazilian economic and political realities; branding itself in new ways. Though the MST's social base has narrowed, it has not disappeared, and the ongoing global economic crisis could add oxygen to the MST's cause. While the MST is weaker, there are likely still many more "Red Aprils" in Brazil's future.

112. (U) This cable was coordinated/cleared by Embassy Brasilia.

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